

Municipal Yacht Harbor Marina/Harbor Committee

March 14, 2019

RECOMMENDATIONS AS TO SLIP LEASE RATES, RULES AND CHARGES TO BE CONSIDERED BY THE BOARD ON APRIL 9, 2019

I. Slip Lease Rates

- a. Objective: Maximize revenue in order to provide sufficient funds to sustain current operations at a high level for the Harbor and West End area and provide adequate reserves for maintenance and improvement of the facilities under the control of MYHMC.
- b. According to the Feasibility Study performed by Moffatt & Nichol in 2015, the regional competition for Municipal Yacht Harbor is shown in the table below:

Table 2-5: Recreational Marina Slip Lease Rates

Marina	Rate	
	/ft/day	/ft/mo
Bucktown Harbor Marina		\$6.00
Schubert's Marine	\$1.50	
Orleans Marina	\$2.25	\$7.00-\$10.00
South Shore Harbor	\$1.65	\$5.58
Seabrook Harbor	\$1.00	\$8.50
Pontchartrain Landing	\$1.00	
Marina del Ray		\$5.50
Salty's Marina		\$7.00
Lake Pontchartrain Harbor Marina	\$1.00	\$4.50
Prieto Marina	\$0.50	\$5.25
Lake Catherine Marina	\$1.00	
Pelican Pointe Marina	\$1.50	\$6.00
Oak Harbor Marina	\$1.00	\$4.00

c.

- d. Seabrook Marina is not considered directly competitive as their rates reflect the fact they are within surge protection when the floodgates are closed. Bucktown Marina is directly competitive, but has only a small number of 35’ and 40’ slips and its rate of \$6/ft/month approximates those in MYH’s primary competition-Orleans Marina.
- e. Orleans Marina Facts
 - i. Currently has 10% surcharge in effect (might delete at mid-year to address competition of rebuilt MYH).
 - ii. Allows boats to extend past outer piling by 10% of slip length making effective rate lower.
 - iii. Does not charge 3% parking tax.
 - iv. Separately metered electricity
 - v. Considered “safer” due to inland location.
 - vi. Allows live-aboards at no additional fee.
 - vii. Older facilities in need of continued repairs
 - viii. Fixed docks
 - ix. Dedicated and adequate parking
 - x. Short distance from parking to boat slips
 - xi. No charge for payment by credit card
 - xii. Average base rental fee/slip length/month = \$6.09, Average cost with surcharge = \$6.70

SLIP SIZE	ORLEANS MARINA WITH 10% SURCHARGE	\$/FT/MON	ORLEANS BASE RENT	\$/FT/MON
25				
30	495.00	5.50	450.00	5.00
35	574.00	5.47	521.82	4.97
35W	680.00	6.48	618.18	5.89
40	861.00	7.18	782.73	6.52
40W	912.00	7.60	829.09	6.91
45	967.00	7.16	879.09	6.51
50	1,070.00	7.13	972.73	6.48
55		-	-	-
60	1,278.00	7.10	1,161.82	6.45
65		-	-	-
70		-	-	-
75	1,588.00	7.06	1,443.64	6.42
90	1,906.00	7.06	1,732.73	6.42

- xiii.
- xiv. Note that the upper end of the range quoted at \$10/ft/month applies to the dock on the New Basin Canal that houses yachts larger than MYH can accommodate.

- f. While MYH will be a new and modern marina, it must be remembered that the boating population has been reduced since Katrina as there has not been adequate quality slip availability in the West End Area for those who lost boats to be easily able to replace them and it may take several years for the market to stabilize.

- g. If rates are set too high it may take longer to fill MYH and empty slips encourage “squatters” to move in who are extremely hard to remove.
- h. MYH presently charges \$25/ft/year based on boat length, the equivalent of about \$2.08/ft/month for slips with no water or electricity.
- i. It is the recommendation of the Marina/Harbor Committee that MYH slip rentals be set slightly below the base rate of Orleans Marina with an allowance for the parking tax that must be collected in MYH in order to facilitate a high occupancy rate in the first year. Rates can be reevaluated annually and increased as necessary to adequately fund operations and maintenance.

SLIP SIZE	MYH SUGGESTED RATE/QTR	\$/FT/MON	PARKING TAX @ 3%	COST/ QTR	COST/FT/ MON	QUARTERLY COST DIFFERENTIAL TO ORLEANS BASE
25	400.00	5.33	12.00	412.00	5.49	(38.00)
30	430.00	4.78	12.90	442.90	4.92	(7.10)
35	500.00	4.76	15.00	515.00	4.90	(6.82)
35W						
40	750.00	6.25	22.50	772.50	6.44	(10.23)
40W						
45	825.00	6.11	24.75	849.75	6.29	(29.34)
50	925.00	6.17	27.75	952.75	6.35	(19.98)
55	1,025.00	6.21	30.75	1,055.75	6.40	(106.07)
60	1,100.00	6.11	33.00	1,133.00	6.29	(28.82)
65	1,300.00	6.67	39.00	1,339.00	6.87	(104.64)
70	1,400.00	6.67	42.00	1,442.00	6.87	(1.64)

II. Live Aboard Tenants

- a. A “Live-Aboard Tenant” is a tenant who resides/occupies his boat in the slip for more than 15 nights in a calendar month.
- b. Orleans Marina allows Live-Aboards to hold leases at no additional cost per month over regular tenants. Electricity is separately metered for all slips so any additional usage is absorbed by tenant.
- c. Advantages
 - i. Provides a presence in the harbor at all times to deter theft and alert for fires.
- d. Disadvantages
 - i. Can be unsightly if rules regarding boat condition, laundry on deck and items stored on piers not enforced.
 - ii. Must be monitored for human waste discharge.
 - iii. Tend to use more of harbor’s resources.
 - iv. If MYH electricity not separately metered, would have to set special rate for Live-Aboard tenants
- e. If Live Aboard Tenants not allowed, need to decide what to do about existing Live Aboard Tenants, if any.

- f. The Marina/Harbor Committee recommends that Live-Aboard Tenants be allowed subject to the following:
 - i. Minimum Boat Size – 35’
 - ii. Live Aboard Charge – 15% of slip lease
 - iii. If slips are not separately metered for electricity, Live-Aboards will be charged twice the standard rate.
 - iv. No more than two Live Aboard vessels on any dock
 - v. Must have holding tank(s) or a marine sanitation device(s) in compliance with marine regulations and policies. Marine sanitation device must be certified annually to be operational by marine survey. Other vessels must pump out holding tank at least twice per calendar month or more frequently if required to maintain a sanitary odor-free condition.
 - vi. No sub-leasing or short term rental of any vessel or slip is allowed.
 - vii. MYHMC staff will be sole determiners of compliance.

III. Transient and Seasonal Tenants

- a. A “Transient Tenant” is a boater who visits the harbor on a short-term basis, generally less than a month, and who pays a slip rental rate on a daily basis determined by boat length which rate includes electricity. A Transient Tenant establishes no right to continued occupancy of the slip. The Transient Rate will be set at \$1.75/ft/night for slips with water and electricity; the rate for slips without water and electricity will be set at \$1.00/ft/night.
- b. A “Seasonal Tenant” is a boater who visits the harbor on a short-term basis but wishes to stay for a prolonged period of months. A Seasonal Tenant pays a rental rate based on the length of stay, from one to six months. The rental rate for one to three months is 120% of the pro-rata lease rate, paid in advance; the rental rate for four to six months is 110% of the pro-rata lease rate, paid in advance. The Seasonal Tenant also pays for electricity. If there are no separate electrical meters in the harbor, the Seasonal Tenant pays the “Live Aboard” electricity rate based on the size of the slip occupied. The Seasonal Tenant establishes no right to continued occupancy of the slip.
- c. Transient and Seasonal Tenants are subject to all Harbor Rules and Regulations.
- d. MYH will reserve a limited number of slips for this purpose: twelve slips of 30’-60’ length.
- e. No sub-leasing or short term rental of any vessel or slip is allowed

IV. Change of Slips for Tenants with Slip Leases

- a. Every effort will be made to accommodate requests by existing slip lease holders to change slips on an as-available basis for appropriate slip.
- b. Slip change requests will be honored on a no-fee basis until the final construction move of boats within the harbor.
- c. Slip change requests will be processed for a fee of \$100 thereafter.

V. Transfer of Slip Leases

- a. It is the policy of Municipal Yacht Harbor Management Corporation to encourage turnover of slips in the harbor when an existing tenant leaves. This allows those on the

waiting list an opportunity to obtain a lease in reasonable time. It also prevents the existence of a secondary market for slips.

- b. Transfers of slip leases will be allowed when a boat is transferred within immediate family members and the boat remains as the occupant of the slip. A fee of \$100 is charged for this transfer. "Immediate family" includes siblings, spouse, children and parents. Transfers of slip leases will also be allowed within named lessees on the lease; no additional lessees can be added.
- c. No transfer of a slip lease is allowed upon sale of a boat except as listed in b. The lease is cancelled, the slip must be vacated and a new tenant is awarded the lease.

VI. Boat Broker Dockage

- a. In order to facilitate the sale of boats in the area, a limited number of dock spaces may be leased to Boat Brokers for display of new and used boats.
- b. So long as there is anyone on the harbor's slip lease waiting list, Boat Broker Dockage will be limited to side-tie space.
- c. No more than twelve broker spots will be allowed and will be limited to four per broker.
- d. Brokers will pay a 10% surcharge on the standard lease rates.
- e. Brokers may not sub-lease or otherwise rent these accommodations.